



DEPARTMENT OF VETERANS AFFAIRS

Discontinuance of Annual Financial Assessments – Implementation

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: The Department of Veterans Affairs (VA) published a Notice in the Federal Register on October 25, 2013 (78 FR 64065), announcing that we intended to change financial reporting practices requiring annual financial assessments from certain veterans enrolled in the VA health care system. On December 30, 2013 (78 FR 79564), VA announced that it was postponing implementation of this change until a date to be determined, due to delays in modifying computer software. The purpose of this Notice is to notify interested parties that the first phase of this change will be implemented no later than March 31, 2014.

FOR FURTHER INFORMATION CONTACT: Kristin J. Cunningham, Director Business Policy, Chief Business Office, Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420; (202) 382–2508. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: Certain veterans are enrolled in the VA health care system based on their income: Priority Groups 5, 7, and 8. VA requires these veterans to submit a financial assessment when initially enrolled and then requests resubmission of this information each year thereafter on the enrollment anniversary. VA verifies that self-reported financial information through a computer matching of income

reported to the Internal Revenue Service (IRS) and Social Security Administration (SSA).

VA intends to eliminate this annual burden by changing the financial reporting practices. Veterans will be requested to submit financial assessment information using a VA Form 10–10EZ only during the initial enrollment process. VA will continue to receive income information from IRS and SSA, which will then be compared to the information initially provided by the veteran. A veteran will be asked to provide further income and asset information, or to verify the data provided by IRS or SSA, only in those cases where VA identifies a change to the veteran's income that would result in a change to the veteran's priority group status.

As stated in VA's October 25, 2013, Notice, this change in policy will be implemented in phases because the policy change requires revision of current VA forms and processes including updating existing information technology. VA stated that the change would be implemented in phases beginning no later than the end of calendar year 2013. Phase I will eliminate the need for current enrollees to submit the annual financial assessment. Phase II, which will include new enrollees, is targeted after Phase I is completed. During Phase II, VA will discontinue the requirement that new enrollees placed in Priority Group 5, 7, or 8 provide an annual update of financial assessment information.

In VA's Notice of December 30, 2013, we stated that implementation would be postponed until a date to be determined due to delays in revising and updating supporting computer software. The purpose of this Notice is to notify interested parties that the first phase of this change will be implemented no later than March 31, 2014.

VA will publish a Notice in the Federal Register to announce when Phase I of the implementation is complete and the commencement of Phase II.

Dated: February 27, 2014.

William F. Russo, Deputy Director,
Office of Regulation Policy and Management,
Office of the General Counsel.

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